

Control Number: 42862



Item Number: 29

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House Bill (HB) 1600 and Senate Bill (SB) 567 83<sup>rd</sup>  
Legislature, Regular Session, transferred the functions  
relating to the economic regulation of water and sewer  
utilities from the TCEQ to the PUC effective  
September 1, 2014.

(Motion was made by Sydney Florence, seconded by Janice Caffery,  
passed by a vote of 3 to 0 that the following Ordinance be passed.)

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PUBLIC UTILITY COMMISSION  
FILING CLERK

**ORDINANCE NO 2014-001**

**ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF WOODLOCH TEXAS  
AMENDING ORDINANCE NO. 2013-001, ESTABLISHING AND ADOPTING A  
MONTHLY SURCHARGE RATE FOR CONSUMERS OUTSIDE THE CITY PURSUANT  
TO THE CODE OF ORDINANCES OF THE TOWN OF WOODLOCH, TEXAS  
PROVIDING AND ESTABLISHING THAT AN AMOUNT BE COLLECTED TO OFFSET  
COSTS AND EXPENSES TO THE CITY FOR COSTS AND EXPENSES THE CITY WILL  
INCUR FOR RATE APPEAL LITIGATION FOR SOAH DOCKET NO. 582-13-5151;  
TCEQ DOCKET NO. 2013-0926-UCR**

**WHEREAS**, the Code of Ordinances of the Town of Woodloch, Texas, authorizes City Council, by ordinance, to establish monthly service rates and charges for water and sewer services inside and outside the City and to establish fees for inspections tap fees, deposits, returned checks, and other charges related to providing utilities; and

**WHEREAS**, the Town of Woodloch has incurred rising costs in litigation relating to a rate appeal initiated by outside city ratepayers; and

**WHEREAS**, the City is mandated to comply with Texas Water Code, Chapter 13, Water Rates and Services, regarding the rate appeal by outside city ratepayers; and

**WHEREAS**, the City may seek cost reimbursement for the rate appeal according to Texas Water Code, Section 13.084, for the engagement of consultants, accountants auditors, engineers, or any combination of these experts to conduct investigations, present evidence, advise and represent the governing body and assist with litigation on water and sewer utility ratemaking proceedings; and

**WHEREAS**, the City Council believes it is in the best interest of the City and its customers that an amount equal to \$35.00 [THIRTY-FIVE DOLLARS AND NO CENTS] per month, be levied through a surcharge to the individual water and sewer customers out the City, in order to recover the City's costs for litigation, and associated costs; and

**WHEREAS**, the City Council believes it appropriate to uphold the existing Ordinance 2013-001 passed on January 18, 2013, with this amendment;

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF WOODLOCH TEXAS:**

**SECTION 4** is to be amended as follows:

(a) The following charge required by the Code of Ordinances of the Town of Woodloch is as follows:

Surcharge for Rate Appeal Reimbursement for outside city customers	\$35.00
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**WHEREAS**, it is hereby officially found and determined that the meeting at which this Ordinance amendment was considered was open to the public and required and tat public notice of the ame, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

COPY

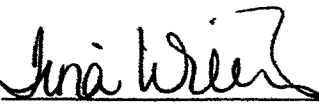
WHEREAS, This Ordinance Amendment shall become effective and be in full force of and from June 10, 2014, and shall continue until such time as all rate appeal costs have been reimbursed.

PASSED AND APPROVED on the 10 day of June, 2014.



Diane L. Lincoln, Mayor

ATTEST:

By: 

Tina Williams, City Secretary



TOWN OF WOODLOCH, 2620 N. WOODLOCH  
936-321-3700 936-321-9199 FAX

current rates  
under protest

**FEE SCHEDULE**

Effective February 25, 2013

**NEW CONNECTIONS\***

	Inside City Limits	Outside City Limits
Water Deposit .....	\$200.00	\$300.00
Application Fee .....	\$ 25.00	\$ 25.00
New Sewer Tap Inspection .....	\$100.00 Minimum	
New Water Meter Installation .....	\$100.00 Minimum	

\* Service will be initiated when full amount has been paid.

**RETURN CHECKS**

Fee ..... \$30.00+ Current Bill

**BASIC SERVICE**

	Inside City Limits	Outside City Limits
<b>Residential</b>		
Water (min 2000gal) .....	29.50	59.00
2001 - 14999 .....	\$2.40/1000gal	\$4.80/1000gal
15000 - 24999 .....	\$2.95/1000gal	\$5.90/1000gal
25000 - 34999 .....	\$3.50/1000gal	\$7.00/1000gal
35000 - 44999 .....	\$4.00/1000gal	\$8.00/1000gal
45000 - Over .....	\$7.00/1000gal	\$14.00/1000gal
Sewer .....	\$30.00	\$60.00
Garbage .....	\$15.00 plus tax	Service Not Provided
Lone Star Groundwater Conservation Dist .....	\$1.00	\$1.00
San Jacinto River Authority .....	\$.90/1000gal	\$.90/1000gal

**ADDITIONAL SERVICES**

Water / Sewer Line Inspection per Customer Request ..... \$100.00 Minimum  
Water / Sewer Service Discontinued per Customer Request ..... \$75.00

**DISCONNECT / RECONNECT**

Bills are considered delinquent if not paid by 5:00pm on the 15<sup>th</sup> of the month. Late notices are mailed on the 16<sup>th</sup> and includes a cut-off date. No further notices will be given regarding termination of services. A delinquent fee, plus the current bill if full, will be required before the reinstatement of services. In addition, if the deposit on record is less than the current deposit fee amount (see above), the difference between the two will be required.

Failure to pay Delinquent Bill ..... \$75.00 + Current Balance + Deposit

**PENALTY**

Bills are due on the 15<sup>th</sup> of each month. Office is open Mon-Tue-Wed 9am - 1pm, on the 15<sup>th</sup> 9am-5pm. If the 15<sup>th</sup> is on a weekend (Sat/Sun) the office is open the Friday before 9am-5pm.

Delinquent Bill ..... 20% of Current balance due + Deposit (if none on record)

Failure to pay delinquent bill resulting in filing lien .... \$75.00 + \$150.00 filing fee + Current Balance & All legal fees

24 HOUR DROP BOX AVAILABLE - FRONT OF BILLING OFFICE 2620 WOODLOCH

June 11, 2014

## To Water and Sewer Customers

A new water and sewer ordinance was approved January 18, 2013. As stated in the letter sent to all customers, this increase was needed to construct a new more efficient and quieter wastewater treatment and sewer mains. In addition, a new ground water storage tank was needed as the current tank was over 30 years old and unreliable, and new electronic meters were installed. In April and May of 2013, the Town of Woodloch received two petitions protesting the water and sewer rate increase from Outside City Ratepayers. The petitions came from the residents of the Hickory Ridge and Oak Forest Subdivisions.

The initial hearing was in August, 2013 in Austin, Texas. At that time, the following individuals were elected to represent their respective areas, or individual(s):

1. Catherine Lewkowski - Lead Representative [representing only herself]
2. David Bonham [representing residents of the Hickory Ridge Subdivision]
3. Miriam Gomez [representing residents of the Oak Forest Subdivision]

From August, 2013 to December, 2013, the Town of Woodloch met with the three representative to try and resolve the Rate Appeal. The Town of Woodloch offered the following options in order to reach a settlement:

1. Garbage collection for a monthly flat fee of \$16.00.
2. Reduced water and sewer rates overall.
3. Reduced water and sewer rates with a uniform \$30 monthly surcharge.

The three representatives refused all settlement offers. As a result, the Town of Woodloch was forced to retain attorneys, engineers, and experts to assist in this litigation, which has become very costly. To date, the Town of Woodloch has been burdened with over \$53,000.00 in Rate Appeal expenses. As the final hearing is not scheduled until September, 2014, Woodloch's expenses for this litigation will continue to rise until such time as the appeal is resolved.

In order to continue this litigation, the Town of Woodloch had no other option than to assess a surcharge on water and sewer bills to pay for the Rate Appeal costs. On Tuesday, June 10, 2014, the Woodloch City Council voted to amend the current water and sewer rate ordinance. This amendment provided for the levy of a \$35.00 monthly surcharge on water and sewer bills. This surcharge will continue until such time as all Rate Appeal costs, both current and future, are reimbursed. This surcharge will begin with the June 20, 2014 bill.

Because this litigation has been so costly and will continue until resolution, the Woodloch city council will be investigating the reduction and/or elimination of certain services, and charging for customer requests. These customer requests may include: the re-reading of a meter; investigating a sewer line backup; investigating the report of a water leak; providing printed reports of account activity. Customers will be notified as to what, and when, the changes made.

The Town of Woodloch